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GWACS vs KE Arms Litigation Goes to Trial After Failed Resolution

Posted 2 days ago in [Companies](#), [Daily News](#), [News](#), [Patents](#) by [Luke C.](#) with [38 Comments](#)

Tags: [GWACS Armory](#), [Industry News](#), [KE Arms](#), [KP-15](#), [KP-9](#), [Lawsuits](#), [Legal Matters](#), [trials](#)



Back near the end of July 2022, we reported to you from KE Arms that [the company was being sued by GWACS Armory](#) over alleged patent and IP theft in regards to the KE-Arms KP-15 Monolithic Polymer Lower. While KE Arms has been attempting to work towards a resolution with GWACS Armory, it seems that these efforts have failed and that this lawsuit will now go to trial. Russel Phagan of KE Arms recently reached out to us with a

public statement on this development surrounding the ongoing lawsuit and we've posted it below for your convenience.

More on GWACS Armory and KE Arms @ TFB:

- [GWACS Armory Sues KE Arms Over KP-15 Lower](#)
- [TFB B-Side Podcast: WWSD 2020 With Russel and Karl](#)
- [TFB Review: KE Arms KP-15 WWSD 2020 Ultra Lightweight Carbine](#)



GWACS Versus KE Arms Litigation Goes to Trial After Failed Resolution

"KE Arms legal battle with GWACS Armory over the KP-15 continues and it appears we will be going to trial. Last week in Tulsa we attempted to negotiate a settlement with GWACS, but no resolution was reached.

While GWACS suit against us is funded by multi-millionaire Reed Oppenheimer, our suit is funded solely by the sales of KE Arms products. We are being bled white by legal bills with tens of thousands of dollars going out monthly to our counsel. To date we have spent over \$400,000.00 related to this case defending not only the claims against KE Arms, but also those against Brownells, Sinistral Shooting Technologies, Russell Phagan, and Shawn Nealon (the inventor of the CAV-15).

We maintain that GWACS' claims are frivolous, and that as a matter of law we should prevail in this case. We cannot do so without the funds to go all the way through trial. This is a highly technical case requiring both IP and financial damage experts. Trial is estimated to cost over \$100,000.00 itself, along with tens of thousands more in fees for expert witnesses and travel and lodging for all of our witnesses in this case.

GWACS' suit against us and their choice to involve our large customers and vendors through the subpoena process has had a chilling effect on purchases from these customers and made it more difficult to produce KP-15s and KP-9s with our subcontractors. If we run out of funds before the trial, there is a very good chance that there will never be anymore KP-15s and 9s produced.

We're asking for help, not a hand out. If you want to help, please purchase anything on KEArms.com. Also share our story. The more people know what's happening, it's harder to bury us into silence.

KP-15 Mil-Spec 5 Pack here: <https://kearms.amercommerce.com/5pacl-black-kp-15-complete-mil-spec.aspx>

KP-15/KP-9 Variety 5 Pack

here: <https://kearms.amercommerce.com/polymerlowervarietypack.aspx>

All KP-15 Products here: <https://kearms.amercommerce.com/products-for-kp15>

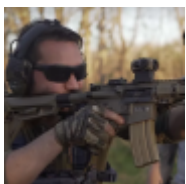
All KP-9 Products here: <https://kearms.amercommerce.com/kp-9-ar>

Defend 2A Patches here <https://kearms.amercommerce.com/defend-2A-Patch.aspx>

Defend 2A Bottle Openers here <https://kearms.amercommerce.com/defend2a-aluminum-goblin.aspx>



It's anyone's guess as to what the results of the trial will be if it indeed gets to that point. However, once again, we'd like to put it out to our faithful readers here at TFB for your predictions, and feelings on this topic. Will GWACS Armory be successful in their lawsuit or do you guys personally think that KE Arms is in the right here? Let us know your thoughts in the comments below.



Luke C.

- Reloader
- SCSA Competitor
- Certified Pilot
- Currently able to pass himself off as the second cousin twice removed of Joe Flanigan.

• Instagram: <https://www.instagram.com/ballisticaviation/>

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38 Comments

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Max Müller • 2 days ago

I hope Karl and Gun Jesus destroy these disgusting anti-gun patent lawyer asshats.

20  |  • Reply • Share ▸



Haulin' Oats → Max Müller • a day ago

I hope James joins them pro-bono to destroy a patent infringement case for patents that once belonged to Colt and are now long expired.

5  |  • Reply • Share ▸



QuadGMoto → Max Müller • 21 hours ago

They aren't targets of the suit. Karl has apparently not been called to testify, but Ian has.

2  |  • Reply • Share ▸



Brett baker → QuadGMoto • 16 hours ago

Karl gave a deposition. Well, started to give one, but GWACKS lawyers left after he showed their case was BS.

2  |  • Reply • Share ▸



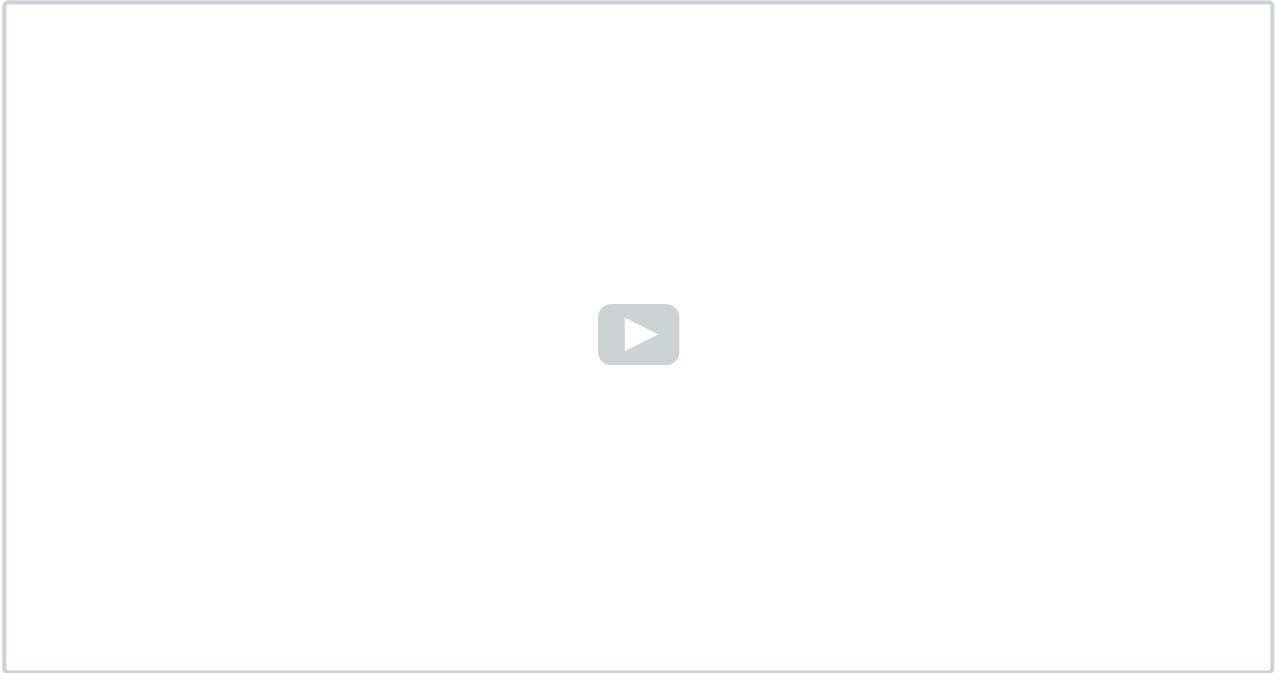
QuadGMoto → Brett baker • 16 hours ago

Thanks for the correction.



1  • Reply • Share ▸

 |  • [Reply](#) • [Share](#) ›**Zundfolge** • 2 days ago

When you look at the real motivation for the suit, your blood will boil (sorry TFB, I know you don't like politics but here we go).

18  |  • [Reply](#) • [Share](#) ›**kirk_freeman** ➔ Zundfolge • 2 days ago



You may not like politics, but politics has an interest in you. One would think an attorney would understand this.

11  |  • [Reply](#) • [Share](#) ›**Anomanom** ➔ kirk_freeman • 2 days ago

No, politics has no interest in you or any other non-multi-millionaire citizen. That's the problem.

6  |  • [Reply](#) • [Share](#) ›**Mike Arebalo** • 2 days ago

God I hope they prevail. KE Arms can hang their hat on the KP-15 as the flag bearer for polymer monolithic lower receivers. No one can match them at this point.

11  |  • [Reply](#) • [Share](#) ›**Cymond** • 2 days ago

From my (limited, one sided) understanding of this case, GWACS doesn't have a leg to stand on, unless Russell Phagan mislead them somehow when he sold the CAV-15 mold to GWACS.

But that doesn't matter if KE Arms runs out of money before the end of the case. If court bankrupt KE Arms, then that's a win for Oppenheimer.

Is a countersuit possible? Maybe, but they'll need to survive long enough, and I doubt GWACS

has any assets to take. Oppenheimer is funding the lawsuit against KE, but that doesn't mean a countersuit could target Oppenheimer.

9 ^ | v • Reply • Share ›



int19h → Cymond • a day ago • edited

If it does get to the point where they're running out of money, I hope they will consider direct donations. I wouldn't even consider it charity - the entire community has a vested interest in keeping patent trolls in check, even those who don't care about KE Arms and their products specifically. If GWACS prevails in demonstrating that you can sink competition with enough money and chutzpah, other trolls will follow.

6 ^ | v • Reply • Share ›



Cymond → int19h • a day ago

FWIW, think of purchasing a KP-15 as a donation. Russell Phagan uploaded a huge chunk of his deposition to Dropbox, and I read a significant portion of it.

Apparently a monolithic polymer lower costs about \$5 in materials, and takes about 10 minutes of labor or less. Also, the takedown pins they sell for \$20 cost about \$2. They're manufactured by a major company that makes all kinds of industrial "speed pins".

So yeah, apparently the KP-15 has insane profit margins.

2 ^ | v • Reply • Share ›



int19h → Cymond • a day ago

And yeah, as I understand, the operating costs are cheap once you have the machinery set up - but then that is relatively expensive (compared to your usual CNC setup), so there are a lot of upfront costs for them to recoup.

(OTOH now I'm worried that PSA will pay attention and try to acquire the rights to the lower!)

4 ^ | v • Reply • Share ›



Cymond → int19h • 19 hours ago

Oh yeah, definitely. The R&D and setup costs were significant, but those are sunk costs, so you gotta figure that 90% of any lower sold now goes straight into their bank account (and then straight to the legal team).

Or think of it as a \$150 donation where you get a \$15 bit of swag.

4 ^ | v • Reply • Share ›



Beju → int19h • a day ago

I was under the impression that the molds are several thousand dollars (or even low tens of thousands in this size) if you outsource them.

^ | v • Reply • Share ›



QuadGMoto → Beju • 21 hours ago

If I remember correctly, Russel said in a video that the cost of just the mold was north of \$100,000.

5 ^ | v • Reply • Share ›



Brett baker → Beju • 16 hours ago

Try low 6 figures.

1 ^ | v • Reply • Share ›



int19h → Cymond • a day ago

I would, but I already have a complete WWSD 2021 carbine (and way too many ARs in general).

1 ^ | v • Reply • Share ›



Cymond → int19h • 19 hours ago

Ah, very fair.

I have several ARs, including a 2013 purchase from that *bad* company here. It's hard to justify yet another lower when funds are so tight, and it's so similar to what I already have.

OTOH, I keep reminding myself about the flared magwell, improved grip angle, PDQ bolt catch cut, and other small refinements. Plus, it's for a good cause and I really like OD green.

2 ^ | v • Reply • Share ›



int19h → Cymond • 19 hours ago

I had the last version of CavArms lower for a while before getting KE. It's definitely a major improvement as far as ergonomics goes.

1 ^ | v • Reply • Share ›



Beju → Cymond • 17 hours ago

I'd like the PDQ lever compatibility, but have too many bills at the moment to justify anything besides the stripped lower at the current Brownell's sale price.

^ | v • Reply • Share ›



Beju → int19h • a day ago

This legal chicanery and the current sale at Brownell's may finally get me to have a KP-15 lower sit around while I wait for sale prices on other components.

1 ^ | v • Reply • Share ›



Cymond → Cymond • 2 days ago

I hate to be a kneejerk reactionary, but this might be a good time to order a KP-15 lower. I never want to have one. They might not exist a year from now.

ever want to have one. They might not exist a year from now.

4 ^ | v • Reply • Share ›



gunsandrocks → Cymond • a day ago

Every sale helps KE Arms when they need it the most, as lawyers are expensive.

5 ^ | v • Reply • Share ›



Brett baker • 2 days ago

Better order one of their lowers from Brownell's.

6 ^ | v • Reply • Share ›



Aono → Brett baker • 2 days ago

Ordering direct from KE would probably be more supportive if that's the goal, but also cheaper if you dig out the coupon codes that are out there.

Should be noted that it's not just KP-15s at risk - KE acquired Young Manufacturing and their chromed bolt carriers would also go away. There are a number of items like that above and beyond the polymer lowers.

14 ^ | v 1 • Reply • Share ›



stud14 • 2 days ago

Even after Karl prayed to Lucifer to intervene? WHERE IS YOUR GOD NOW KARL?

5 ^ | v 3 • Reply • Share ›



int19h → stud14 • a day ago

Satanists don't pray to Lucifer. Most of us don't believe such supernatural entities exist in the first place outside of people's heads. But even if they did exist, the whole self-abasement aspect of prayer is fundamentally incompatible with everything Lucifer stands for, so it wouldn't work, anyway.

4 ^ | v • Reply • Share ›



Christian Hedegaard-Schou • 20 hours ago

I bought a pair of patches and a pair of bottle openers.

I already have 3 of the lowers 🤔

1 ^ | v • Reply • Share ›



Christian Hedegaard-Schou • a day ago • edited

This announcement is written like KE Arms is financing even Brownells' defense team.

I would imagine Brownells has a LOT more capitol to help with the legal defense than a smaller shop like KE. What's the deal there?

1 ^ | v • Reply • Share ›



Matthew Whitticar → Christian Hedegaard-Schou • 19 hours ago

Brownells just build a new fulfillment center/warehouse. That is a big note that needs to be paid

to para.

1 ^ | v • Reply • Share ›



QuadGMoto → Christian Hedegaard-Schou • 21 hours ago

I frequently check Brownells' site for products I'm looking for. I see so many extended out-of-stock items that I get the impression that their finances aren't in great shape. This lawsuit has to be hurting them too.

1 ^ | v • Reply • Share ›



Dave • a day ago

Anybody ever heard of anybody using fireclean /canola oil after they tried to sink Andrew Tuohy? Unless they really have a valid case this is not a good look from a community with a long memory and a grudge. Springfield would have double the interest in prodigies if so many people hadn't blackballed them after one political flub. If they are innocent they need to get out front with their pr because inrange has already lit them up in several videos and gwacs looks shady as hell. They'll lose a lot more money from being litigious than if there were, if any, actual legal infringement.

^ | v • Reply • Share ›



int19h → Dave • a day ago

Many places still sell Fireclean, so presumably people still buy it.

If you read the reviews, some even note the controversy while doubling down.

2 ^ | v • Reply • Share ›



Dave → int19h • a day ago

Ooh, but. What if you see it around in stores because people **aren't** buying it.

😬 *Xfilesmusic.mp3*

^ | v • Reply • Share ›



Armed Partisan • 2 days ago

I wasn't aware that GWACS was a bunch of anti-gunners who were interested in suing successful firearms manufacturers with the primary goal of driving up prices for the end-market consumer, ultimately putting as many gun companies as possible out of business. Micheal Bloomberg must have bought GWACS sometime after I got my Cavalry Arms MKII from them, else I never would have bought that.

^ | v • Reply • Share ›



Chevttec Group → Armed Partisan • 18 hours ago

GWACS was bought out years ago. That's why it may seem weird

2 ^ | v • Reply • Share ›



iksnilol → Armed Partisan • a day ago

Are you familiar with the concept of capitalism?

2 ^ | v 1 • Reply • Share ›